

California High Speed Rail Authority

Confidential

Final Total Compensation Report

SUBMITTED BY:
DEBORAH OWEN
Project Manager

CPS HR Consulting
241 Lathrop Way
Sacramento, CA 95815
t:916-471-3122
Tax ID: 68-0067209
www.cps.ca.gov



Table of Contents

I. Introduction	2
II. Project Scope and Work Plan	2
III. Compensation Study Parameters	3
IV. Survey Results.....	4
V. Supplemental Survey Components.....	4
VI. Summary	5

Appendix A- Labor Market Data Sheet

Appendix B- Benefits Tables

I. Introduction

CPS HR Consulting (“CPS HR”) was retained by the California High Speed Rail Authority (“the Authority”) to conduct a total compensation study for its Chief Executive Officer (CEO) with the goal of determining how competitive the Authority is in its labor market by collecting and analyzing maximum monthly base salary and elements of total compensation for this position. This Final Total Compensation Report outlines the project scope and work plan, the methodologies utilized in data collection and analysis, and provides an overview of the results of the labor market base salary and total compensation analyses. The effective date for all compensation and benefits data collected for the study is January 1, 2012.

II. Project Scope and Work Plan

In order to complete the study, the following tasks were completed for each phase:

- The review and finalization of the project scope including the labor market agencies to be surveyed and the scope of data collection. (completed)
- Development of the compensation survey instrument, and distribution to the Authority’s labor market agencies. The Authority prepared a Freedom of Information Act Request to the various agencies for the requested information and attached a copy of the survey to said request. The survey instrument included a brief descriptor for the CEO requesting the monthly minimum and maximum salary and information on various components of total compensation including cash add-ons, health and welfare benefits, premium pays, and retirement practices. (completed)
- The review and analysis of all compensation and benefits data submitted by the labor market agencies. In addition to the survey data received, where available, the consultants reviewed each responding agency’s employment contract for its CEO. (completed)
- Preparation of a draft report for client review and comments. (completed)
- Review and resolution of questions arising from client review of the draft report. (completed)
- Preparation of the Final Total Compensation Report. (completed)

III. Compensation Study Parameters

Labor Market Agencies

Based on direction from the Authority, Table 1 presents the labor market agencies that were surveyed for the total compensation study.

TABLE 1 California High Speed Rail Authority Labor Market Agencies
*Bay Area Regional Transit Caltrain Dallas Area Rapid Transit *Metropolitan Atlanta Rapid Transit Authority Los Angeles County Metropolitan Transportation Authority Metropolitan Transportation Commission Orange County Transportation Authority San Diego Association of Governments San Diego Metropolitan Transit System *San Francisco Municipal Transportation Agency

Agencies marked with an asterisk (*) did not respond to the Authority's FOIA request.

Scope of the Survey

The data collected for the CEO from each agency included:

- Title of the matched classification
- Minimum and maximum monthly salary for the matched classification
- Cash add-ons including deferred compensation, bonuses, and retirement pickup
- Any special pay/program afforded to the CEO such as group legal, housing allowances, vehicle allowance, relocation reimbursement, and other data as described in Section V-Supplemental Survey Components
- Details of employer health programs including:
 - Cafeteria plan practices

- Employer contribution to most commonly used medical, dental and vision plans
- Employee contribution to most commonly used medical, dental and vision plans
- Details of life insurance and long term disability plan benefits and contributions
- Employer retirement practices, including
 - Type of program offered
 - Benefit offered (e.g. 2%@55, etc.) if applicable
 - Benefit formula (e.g. average of three years, single highest year)
 - Agency contribution to the retirement plan
- Social security contributions
- Leaves (vacation, sick, administrative and holidays)

IV. Survey Results

As indicated in the previous section, the survey involved the collection of base salary and total compensation data for the Authority's CEO classification from each of the selected labor market agencies, and detailed results of the base salary and total compensation analyses were prepared. The data sheet in Appendix A presents detailed information on the analysis which is summarized as follows:

- For base salary, the labor market median of \$22,183 is 29.01% lower than the Authority's salary of \$31,250 per month.
 - The matched salaries range from \$20,553 to \$34,608 per month
- For total compensation, the labor market median of \$30,445 is 9.66% lower than the Authority's total compensation of \$33,699 per month.
 - The matched total compensation amounts range from \$28,165 to \$44,909 per month

V. Supplemental Survey Components

In addition to the base salary and total compensation data collected for the survey, CPS HR collected benefits information compiled in a separate document presented in Appendix B. In some instances you will see a designation of "Data Not Available" – this designator means that either the labor market agency did not respond (BART, MARTA and SFMTA), or the data was not

provided by a responding agency. The scope of data collection for Appendix B is summarized below:

- Table B1 – Each agency was asked to provide information on their retirement practices including the retirement type, any employer pick up of the employee's contribution to retirement, the agency mandated contribution to the retirement program, and the retirement benefit, formula and any COLA practices; social security practices were also collected.
- Table B2 – Each agency was asked to provide information on their deferred compensation and group legal services benefits.
- Table B3 – Each agency was asked to provide information on their relocation reimbursement and housing allowance practices.
- Table B4 – Each agency was asked to provide information on their severance and miscellaneous payment programs. (such as recruitment incentives, supplemental retirement, etc.)
- Table B5 – Each agency was asked to provide information on their vehicle allowance and performance pay practices.
- Table B6 – Each agency was asked to provide information on their cafeteria plan practices, and the cost/benefit of any life insurance or long term disability benefits provided to the CEO.
- Table B7 – Each agency was asked to provide information on employer and employee contributions to the most commonly used medical, dental and vision programs.
- Table B8 – Each agency was asked to provide information on their vacation accrual practices.
- Table B9 – Each agency was asked to provide information on their sick leave, holiday and administrative leave practices.

VI. Summary

The above sections of this report provide detailed information concerning the scope of the project, the methodology used to complete the total compensation study, as well as the results of the study, which show where the Authority stands in comparison to the labor market. Should you require any further information on the contents of this Final Total Compensation Report, please contact Ms. Debbie Owen on (916) 471-3122.

Appendix A
Labor Market Data Sheet

Appendix B

Benefits Tables